Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

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DA 05-1372

**Released: May 18, 2005** 

## DOMESTIC SECTION 214 APPLICATION FILED FOR ACQUISITION OF ASSETS, AND TRANSFER OF CONTROL OF UNIVERSAL ACCESS, INC., DEBTOR-IN-POSSESSION, TO VANCO DIRECT USA, LLC

## STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 05-187

Comments Due: June 1, 2005

Reply Comments Due: June 8, 2005

On April 25, 2005, Universal Access, Inc., Debtor-in-Possession ("UAI"), and Vanco Direct USA, LLC ("Vanco") (collectively, "Applicants"), filed an application pursuant to sections 63.03, and 63.04 of the Commission's rules¹ requesting authority to transfer the control of UAI's domestic authorization to Vanco.²

Applicants assert that this transaction is entitled to presumptive streamlined treatment pursuant to section 63.03(b)(2)(i) of the Commission's rules because (1) the proposed transfer will result in Vanco having less than a ten percent (10%) share of the interstate, interexchange market; (2) Vanco will provide local exchange services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and (3) neither of the Applicants is dominant with respect to any service.<sup>3</sup>

UAI is a telecommunications carrier authorized to provide telecommunications services in 46 states and the District of Columbia. UAI is a non-dominant carrier that provides dedicated transport circuits to telecommunications carriers and Internet service providers and interstate

<sup>47</sup> C.F.R. §§ 63.03 and 63.04; see 47 U.S.C. § 214.

Applicants have also filed an application to transfer control of their International Section 214 authority. Any action on this domestic section 214 application is without prejudice to Commission action on other related pending applications.

<sup>&</sup>lt;sup>3</sup> 47 C.F.R § 63.03(b)(2)(i).

private line service. UAI is a wholly owned subsidiary of Universal Access Global Holdings, Inc. ("UAXS"). UAXS is a publicly traded Delaware corporation.

Vanco, a Delaware limited liability company, is a non-dominant carrier that provides interstate private line service throughout the United States. Vanco is 100% owned by VNO Direct Limited, a United Kingdom corporation. VNO Direct Limited is 100% owned by Vanco Group Limited, a United Kingdom corporation. Vanco Group Limited is 100% owned by Vanco PLC, a United Kingdom corporation, with a majority ownership interest currently held by Edward Allen Timpany, a United Kingdom citizen. No other individual or entity owns 10% or more of the voting shares in Vanco PLC.

Applicants request approval of the transfer of control pursuant to an asset purchase agreement (the "Agreement"). Under the Agreement, Vanco will acquire substantially all of the assets of UAI, including but not limited to UAI's customer accounts, subject to the approval of the United States Bankruptcy Court for the Northern District of Illinois, Eastern Division (the "Bankruptcy Court") in the matter entitled In Re: Universal Access Global Holdings, Inc., et al., Case No. 04 B 28747 (Jointly Administered). A copy of the order of the Bankruptcy Court authorizing the sale will be filed with the Commission upon issuance. Since August 2004, UAXS, UAI, and each of UAI's wholly owned domestic subsidiaries, have been operating under the protection of the Bankruptcy Court. The Agreement is still pending approval of the Bankruptcy Court.

Applicants assert the proposed transaction will serve the public interest, convenience, and necessity. The Applicants state approval of the proposed transaction is critical to ensure the continuation of high quality, uninterrupted service to all customers. Moreover, the Applicants expect that the acquisition will create a heightened level of operating efficiency that will enhance the overall capacity of Vanco to compete in the marketplace and to provide telecommunications services to a greater number of consumers at competitive rates.

## **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file **comments on or before June 1, 2005** and **reply comments on or before June 8, 2005**. Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31<sup>st</sup> day after the date of this notice. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

<sup>&</sup>lt;sup>4</sup> See 47 C.F.R. § 63.03(a).

<sup>5</sup> 

Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

Comments filed through the ECFS can be sent as an electronic file via the Internet to <a href="http://www.fcc.gov/e-file/ecfs.html">http://www.fcc.gov/e-file/ecfs.html</a>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send e-mail to ecfs@fcc.gov, and should include the following words in the subject line "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, S.W., Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

## In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, <a href="https://www.bcpiweb.com">www.bcpiweb.com</a>; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Tracey Wilson-Parker Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; e-mail: <a href="mailto:tracey.wilson-parker@fcc.gov">tracey.wilson-parker@fcc.gov</a>;
- (3) Erin Boone, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C347, Washington, D.C. 20554; e-mail: erin.boone@fcc.gov
- (4) Renee Crittendon, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C311, Washington, D.C. 20554; e-mail: renee.crittendon@fcc.gov;
- (5) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-

B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and

(6) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: <a href="mailto:james.bird@fcc.gov">james.bird@fcc.gov</a>.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C., 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail <a href="https://www.bcpiweb.com">www.bcpiweb.com</a>.

For further information, please contact Tracey Wilson-Parker, at (202) 418-1394, or Erin Boone, at (202) 418-0064.